

111TH CONGRESS
1ST SESSION

H. R. 2281

To establish a temporary program in the Small Business Administration to assist small business concerns by decreasing interest payments for certain loans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 2009

Mr. KAGEN (for himself and Mr. EDWARDS of Texas) introduced the following bill; which was referred to the Committee on Small Business, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a temporary program in the Small Business Administration to assist small business concerns by decreasing interest payments for certain loans, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Oppor-
5 tunity Act of 2009”.

1 **SEC. 2. INTEREST PAYMENT ASSISTANCE FOR SMALL BUSI-**
2 **NESS CONCERNS WITH ELIGIBLE LOANS.**

3 (a) IN GENERAL.—To the extent of the funding made
4 available under subsection (g), the Administrator of the
5 Small Business Administration shall establish and imple-
6 ment a program under which the Administrator shall
7 make, for each eligible loan of a small business concern—

8 (1) 100 percent of the payment of interest due
9 each billing cycle with respect to such loan, during
10 the period beginning on the effective date of this Act
11 and ending at the conclusion of the first full fiscal
12 year following such date;

13 (2) 75 percent of the payment of interest due
14 each billing cycle with respect to such loan, during
15 the second full fiscal year following such date; and

16 (3) 50 percent of the payment of interest due
17 each billing cycle with respect to such loan, during
18 the third full fiscal year following such date.

19 (b) TERMINATION OF PROGRAM.—The authority of
20 the Administrator to make payments under subsection (a)
21 terminates at the conclusion of the third full fiscal year
22 following the effective date of this Act.

23 (c) PAYMENTS MADE TO LENDER.—The Adminis-
24 trator shall make the payments under subsection (a) di-
25 rectly to the financial institution to which such payments
26 are due.

1 (d) NO FORCED REIMBURSEMENT.—The Adminis-
2 trator may not require a small business concern to reim-
3 burse a payment appropriately made for such concern
4 under subsection (a).

5 (e) INTEREST RATES DURING PROGRAM.—If the in-
6 terest rate for an eligible loan is negotiated subject to a
7 maximum allowable rate imposed by the Small Business
8 Administration, the financial institution making such loan
9 may treat the interest rate of such loan as the maximum
10 allowable rate during the period that the Administrator
11 makes payments under subsection (a) with respect to such
12 loan. On the date that the Administrator makes the final
13 payment under subsection (a) with respect to such loan,
14 the interest rate of such loan shall return to the rate origi-
15 nally negotiated.

16 (f) DEFINITIONS.—In this section, the following defi-
17 nitions apply:

18 (1) ELIGIBLE LOAN.—The term “eligible loan”
19 means a loan guaranteed by the Small Business Ad-
20 ministration and entered into after the effective date
21 of this Act.

22 (2) SMALL BUSINESS CONCERN.—The term
23 “small business concern” has the meaning given
24 such term in section 3 of the Small Business Act
25 (15 U.S.C. 632).

1 (g) FUNDING.—Of the amounts made available under
2 title I of the Emergency Economic Stabilization Act of
3 2008 (Public Law 110–343; 12 U.S.C. 5201 et seq.), the
4 Secretary of the Treasury shall make available to the Ad-
5 ministrator of the Small Business Administration the
6 amount requested by the Administrator to carry out this
7 section, but not to exceed \$3,375,000,000, and such
8 amount shall be treated as having been made available for
9 activities authorized by such Act.

10 (h) EFFECTIVE DATE.—This Act takes effect on the
11 date that is 60 days after the date of the enactment of
12 this Act.

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